



# Signature Authority for Financial Transactions

Lawrence Berkeley  
National Laboratory

Financial Policies and Procedures

Part I - Chapter 4.03

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## Summary

The purpose of this policy and procedure is to define the roles and responsibilities of authorized signers for financial transactions, and the process by which financial signature authority is delegated at the Laboratory.

## Background

Appropriate delegation and implementation of signature authority for financial transactions is an internal control that mitigates risk and ensures that effective financial practices are employed at the Laboratory. "Financial transactions" requiring approval refers to the following types of processes:

- Accrual requests
- Conference and training fees
- Procurement requisitions
- Requests for issuance of check
- Resource adjustments (over \$5K)
- Travel requests

## Policy

### *Roles and Responsibilities*

The Laboratory Director (or designee) is responsible for approving (or delegating the authority to approve) all financial transactions at the Laboratory, per authorization of the President of the University of California, Standing Order of the Regents 100.4, [UC Delegation of Authority \(DA\) 2100](#).

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The following are authorized to delegate signature authority for Laboratory employees:

- Laboratory Director
- Deputy Director
- Associate Laboratory Director
- Chief Financial Officer
- Division Director
- Department Head
- Business Manager (or designee)

Exceptions to the above must be submitted in writing to the Office of the CFO for approval.

Each Division will review and update the list of employees with signature authority in their Division and submit an updated list, approved by the Division Director, to the Office of the CFO on an annual basis (beginning of the calendar year).

Employees delegated to approve financial transactions or expenditures are responsible for ensuring the following:

- An understanding of what is being approved
- The information provided and supporting documentation is complete and accurate
- The transaction is allowable, reasonable and justified
- The transaction is allocable to the correct project(s)
- There are adequate funds to cover the expense
- The funding source is appropriate for the expenditure

Financial transactions may only be approved by employees with signature authority by personally signing the required document, or (for purchase requisitions) personally endorsing their approval online. Additionally, employees with signature authority may only approve financial transactions within their authorized dollar limit. Unauthorized transactions will be subject to management review.

Employees with signature authority must comply with all applicable DOE, UC and Laboratory policies, laws, regulations and special restrictions on the use of funds. Failure to comply may result in financial and/or criminal liabilities for the employee, or the University of California.

### ***Segregation of Duties***

Segregation of duties must be considered when delegating signature authority or approving a transaction. For example, the responsible approver must be separate from the individual requesting the transaction.

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### **Procedures**

#### ***Delegation, Change or Cancellation of Signature Authority***

To delegate, change or cancel signature authority, a [Delegation of Signature Authority form](#) must be completed and submitted to the Office of the CFO. A copy of the completed form should also be kept on file by the responsible Division delegating the signature authority.

#### ***Signature Authority Certification***

Signature authority certification ensures that employees with delegated signature authority have an understanding of the importance of maintaining financial stewardship as a representative of the Laboratory, and are aware of relevant financial policies, regulations and internal controls.

Submission of the Signature Authority form initiates the certification process (if applicable). Each employee requesting signature authority will successfully complete a standard **Signature Authority Certification Questionnaire** provided by the Office of the CFO. Upon successful completion of the questionnaire, the employee will receive a notice of completion, and a copy of the Signature on File (SOF) form to be completed and submitted to the Office of the CFO (*see below*). Upon receipt of the SOF, the employee's signature authority will be placed into effect. At that time, formal notification, including the approval limit, will be sent to the employee.

Employees with signature authority must renew their signature authority certification every other year (at the beginning of the calendar year). The renewal process will also be managed by the Office of the CFO.

#### ***Signature on File (SOF) form***

The SOF form will be provided upon completion of the questionnaire, and provides a sample of the employee's signature for internal control purposes. Employees with signature authorization must have a completed SOF form on file with the Office of the CFO.

#### ***Department Transfers or Changes in Responsibilities***

If an employee transfers to another Department or Division, or other changes occur that affects their signature authority responsibilities, an updated [Delegation of Signature Authority form](#) must be submitted to the Office of the CFO. For department transfers, concurrence from the new Division or Department is required on the form.

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### ***Authorized Signers Database***

The [Authorized Signers database](#) is located on the Office of the CFO website, and reflects the dollar limits for each employee with signature authority. It is also maintained by the Office of the CFO.

### ***Signature Authority Guidelines for Operational Transactions***

[Signature authority guidelines](#) for operational transactions are located on the Office of the CFO website.

### **Authority**

- [UC Delegation of Authority \(DA\) 2100](#) (Execution of Purchase Contracts, Subcontracts, and Standard Purchase Orders for Materials, Goods, and Services to be Supplied to the University)

### **Contacts**

- Manager, Financial Policy and Training
- Manager, Field Operations

### **Related documents**

- [Delegation of Signature Authority form](#)
- [Signature Authority Guidelines](#)